

## Message Text

UNCLASSIFIED

PAGE 01 ATHENS 08224 151813Z

47

ACTION XMB-04

INFO OCT-01 EUR-12 ISO-00 EB-07 OPIC-06 CIAE-00 INR-07

NSAE-00 RSC-01 TRSE-00 CIEP-02 OMB-01 /041 W

----- 123576

P R 151515Z NOV 74

FM AMEMBASSY ATHENS

TO SECSTATE WASHDC PRIORITY 6281

INFO USDOC WASHDC

UNCLAS ATHENS 8224

E.O. 11652: N/A

TAGS: BPRO, GR

SUBJECT: FCIA CREDIT INSURANCE REQUEST FOR SALE OF TEREX  
DUMP TRUCKS TO FINANCIAL MINING INDUSTRIAL AND  
SHIPPING CORP

DEPARTMENT PASS EXIMBANK

REF: (A) STATE 247137; (B) ATHENS 7541; (C) ATHENS 3640;  
(D) ATHENS A-113; (E) ATHENS 2462

1. OCT VIA REF B EMBASSY SUBMITTED UP TO DATE WTDR  
ON ENTIRE SCALISTIRI GROUP OF COMPANIES.

FOLLOW-UP

SHOWS NO CHANGE IN FINANCIAL CONDITION OF GROUP, I.E., IT  
CONTINUES MEET "HEAVY FINANCIAL OBLIGATIONS PROMPTLY." MORE  
SPECIFICALLY WITH RESPECT TO FIMISCO, SCALISTIRI ASSERTS  
PRODUCTION SOLD OUT TO LAST TON FOR NEXT THREE YEARS. EMBASSY  
HAS RECEIVED CONFIRMATION IN RECENT MONTHS FROM AMERICAN  
CUSTOMERS OF FIMISCO THAT DEMAND IS EXTREMELY HIGH, PARTIALLY  
DUE TO GENERALLY HIGH WORLD DEMAND FOR MAGNESITE, PARTIALLY  
DUE TO SCALISTIRI'S REPUTATION FOR QUALITY AND DEPENDABILITY.

2. WITH RESPECT CONDITION OF GREEK MINING INDUSTRY, IT SHOULD  
BE NOTED THAT ECONOMY GENERALLY HAS SUFFERED DOWNTURN IN 1974,  
DUE TO SEVERE ANTI-INFLATIONARY POLICY FOLLOWED BY MILITARY  
GOVERNMENT DURING FIRST SIX MONTHS, AND DUE TO CYPRUS CRISIS.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 ATHENS 08224 151813Z

CIVILIAN GOVERNMENT HAS FOCUSED SINCE AUGUST ON STIMULATING

ECONOMY. MINING SECTOR HAS DONE RELATIVELY WELL DESPITE GENERAL ECONOMIC DIFFICULTIES, AS SHOWN BY FACT THAT AVERAGE MINING PRODUCTION INDEX FOR JAN-AUG 1974 UP 4.7 PERCENT OVER SAME PERIOD IN 1973, WHILE OVERALL SECONDARY PRODUCTION INDEX DOWN 1.2 PERCENT. LATEST EXPORT STATISTICS (JAN-AUG 1974) REFLECT 40 PERCENT INCREASE IN MINERAL SALES OVERSEAS (TO \$62.6 MILLION) AND 42 PERCENT INCREASE IN MAGNESITE EXPORTS (TO \$31 MILLION)

3. GOG DOES OFFER SOME LIMITED ASSISTANCE TO EXPORTERS, NAMELY SMALL SUBSIDY ON EXPORT-RELATED LOANS AND DUTY FREE STATUS FOR CERTAIN IMPORTED RAW MATERIALS USED IN PRODUCTION OF EXPORTS. SCALISTIRI GROUP DOES NOT RECEIVE ANY SPECIAL GOVERNMENTAL ASSISTANCE. IT MIGHT BE NOTED THAT DURING FIRST SIX MONTHS 1974 MILITARY-BACKED GOVERNMENT WATCHED EXPORT PRICES CAREFULLY AND REFUSED SEVERAL SCALISTIRI EXPORT PERMIT APPLICATIONS (EVEN WHEN TIED TO LONG-TERM CONTRACTS) UNTIL PRICE RAISED SIGNIFICANTLY. EMBASSY IS NOT AWARE OF ANY LOSS OF SALES DUE TO THESE MEASURES. HELLENIC EXPORTERS ASSOCIATION, WHICH INCLUDES BUT IS NOT LIMITED TO MINING INTERESTS, IS EXPECTED TO APPROACH POST-NOVEMBER 17 ELECTION GOVERNMENT WITH REQUEST FOR ADDITIONAL ASSISTANCE FOR EXPORTERS.

4. EMBASSY HAS NO BASIS FOR ALTERING POSITIVE VIEW OF SCALISTIRI OPERATION REFLECTED IN MANY PREVIOUS MESSAGES, INCLUDING REFS. TURNDOWN ON THIS TRANSACTION WOULD UNDOUBTEDLY HAVE DETRIMENTAL EFFECT ON PROSPECTS OF U.S. SALES TO SCALISTIRI GROUP IN FUTURE.  
KUBISCH

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 15 NOV 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974ATHENS08224  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D740330-0851  
**From:** ATHENS  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1974/newtext/t19741141/aaaabiqj.tel  
**Line Count:** 90  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION XMB  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** (A) STATE 247137; (B) ATHENS 7541; (, C) ATHENS 3640;  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** izenbei0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 20 MAR 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <20 MAR 2002 by chicheje>; APPROVED <12 FEB 2003 by izenbei0>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** FCIA CREDIT INSURANCE REQUEST FOR SALE OF TEREX DUMP TRUCKS TO FINANCIAL MINING INDUSTRIAL AND  
**TAGS:** BPRO, GR  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005